

The workplace economy

August 2011

Throughout 2011, one phrase has regularly been expressed by nationwide economists while describing the United States' current economic status — "cautiously optimistic."

As the nation's unemployment rate has lingered near its highest point in three decades, economists' recent predictions, that 75,000 jobs would be created throughout the month of July, were perceived as overly optimistic, to say the least.

Yet, surprisingly, such predictions were actually lower than the Bureau of Labor Statistics' latest "The Employment Situation" findings, as a total of 117,000 jobs were generated throughout the nation in July alone — a vast improvement in comparison to June's staggering employment findings, which included the addition of only 18,000 jobs to the national economy.

Additionally, the unemployment rate dropped from 9.2 percent to 9.1 percent, as the nation's total labor force of 153.2 million workers remained nearly unchanged. Although the job market appears to be gradually improving, economists have projected that 150,000 jobs must be created each month in

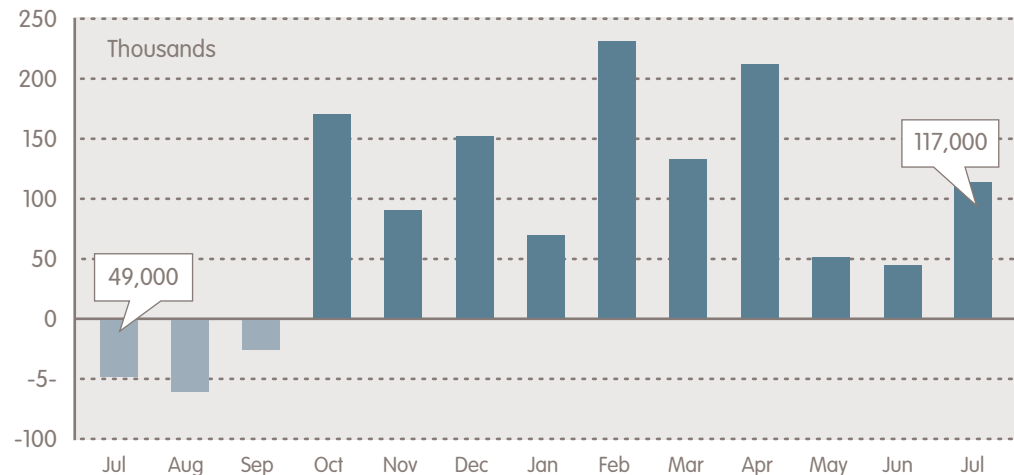
order to maintain pace with the country's population growth rates and to significantly decrease unemployment levels.

Another sign that job creation progress has only just begun is noted by the country's present complement to the unemployment rate, the percentage of the population with a job, which is 58.1 percent, the lowest rate in 28 years. Furthermore, there are currently 8.4 million involuntary part-time employees, 2.8 million individuals marginally attached to the labor force, and 1.1 million discouraged workers who have ended their job searches for the time being, believing no opportunities are available for them at this time.

As the Obama administration continually strives to increase the civilian workforce population and income levels, further optimistic findings from this month's BLS jobs report remain. First, average hourly earnings for all employees increased by 0.4 percent to \$23.13, as earnings have increased by 2.3 percent throughout the last year. Second, the average hourly earnings of private-sector

The job market improves considerably as 117,000 jobs are added in July

Monthly payrolls



Seasonally adjusted. Source: Labor Department as seen on CNNMoney.com

production and nonsupervisory employees also increased by 0.4 percent — up to \$19.52.

Undoubtedly, the road towards economic recovery remains long and arduous. Economists, employers, and job seekers ought to remain “cautiously optimistic” as the economy continues to gain momentum throughout the coming months.

In your industry

During the month of July, private employers hired 154,000 professionals throughout the United States, according to the BLS’ August 5th release of “The Employment Situation.” A variety of industries, including healthcare, manufacturing, and mining, hired thousands of employees throughout July — a sign the economy is slowly recovering from the recession.

The following BLS findings were recently issued to the American public, according to the various sectors which have reported job growth as of late —

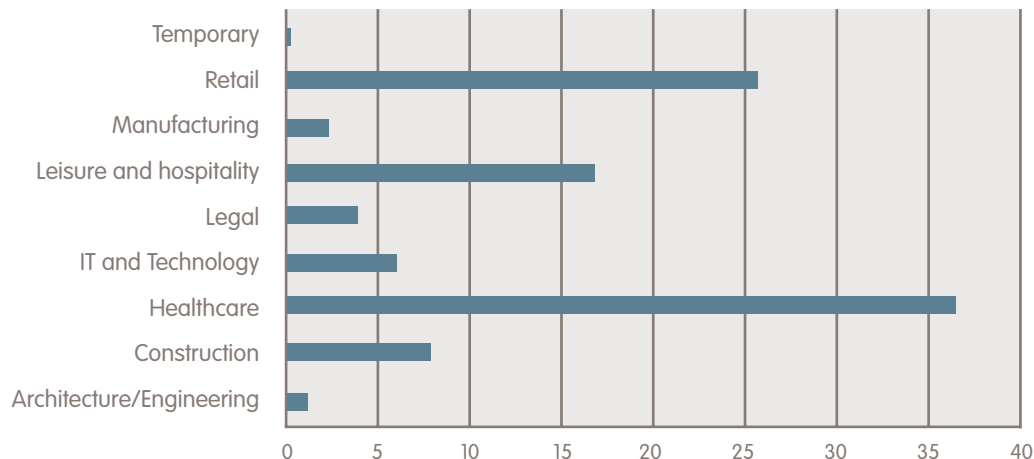
- **Healthcare:** The healthcare industry, as a whole, hired 31,000 individuals throughout July. Ambulatory health care services and hospitals continued to hire thousands of medical professionals, just

as they have in recent months; each added 14,000 jobs, respectively.

- **Manufacturing:** The manufacturing industry created 24,000 new job opportunities. A majority of these positions had an emphasis in durable goods manufacturing. Of interest, manufacturing has hired 289,000 professionals since December 2009.
- **Mining:** In recent months, the mining industry has hired very few employees within the field; however, the industry created 9,000 positions in July. Mining employment has increased by 14,000 since October 2009.
- **Professional and technical services:** While the industry developed 18,000 new positions in July, employment in temporary help services has not improved in recent months. As a whole, the industry has hired 246,000 professionals since March 2010.
- **Retail trade:** The retail trade industry continued to hire new employees, especially during the months of June and July. The industry added 26,000 jobs in July alone and has hired 228,000 since December 2009.

Sector changes observed in July

Employment by selected industries (changes from June - July, in thousands)



Source: BLS.com